

**BEFORE THE  
TENNESSEE REGULATORY AUTHORITY  
NASHVILLE, TENNESSEE**

**RECEIVED**  
**EXEC. SECRETARY OFF.**  
**JUN 09 1999**  
**TN REGULATORY AUTHORITY**

IN RE:

APPLICATION OF KENTUCKY DATA LINK, INC.     )  
FOR A CERTIFICATE OF PUBLIC CONVENIENCE     )  
AND NECESSITY TO PROVIDE INTRASTATE     )  
TELECOMMUNICATIONS SERVICES AS A     )  
FACILITIES BASED INTEREXCHANGE CARRIER     )  
IN TENNESSEE     )

Docket No. 99-00408

**APPLICATION**

Kentucky Data Link, Inc. ("KDL"), pursuant to the provisions of T.C.A §§65-4-201(b), (c) and (d), hereby applies to the Tennessee Regulatory Authority ("Authority") for a Certificate of Public Convenience and Necessity ("Certificate") to become a Competing Telecommunications Service Provider as defined by T.C.A. §§64-4-201. In support of this Application, CTC submits the following information:

1. The name and address of the applicant is:

Kentucky Data Link  
8829 Bond Street  
Overland Park, Kansas 66214

KDL, a non-dominant diversified telecommunications company, currently operates as a facilities-based interexchange carrier in Kentucky and Indiana. With primary offices in Overland Park, Kansas and Evansville, Indiana, KDL's network control center and customer service departments for Tennessee are located in Evansville, Indiana. KDL maintains other operational facilities and sales offices throughout the Midwest.

KDL, is a C Corporation formed under the laws of the State of Kentucky and is authorized to transact business in Tennessee. Attached as Exhibit A is a copy of its Certificate of Authority to do business in Tennessee including a certificate of existence from the Kentucky Secretary of State's office certifying that KDL was formed under the laws of the State of Kentucky and is presently in good standing.

2. Correspondence concerning this Application should be directed to:

Cole W. Hawks  
Corporate Counsel  
8829 Bond Street  
Overland Park, KS 66214  
Phone: (913) 492-1230  
Fax: (913) 492-1684

3. KDL proposes to provide intrastate telecommunication services over its own facilities in Tennessee. KDL will provide leased capacity along its fiber optic network in Tennessee to interexchange carriers ("IXCs"), competitive access providers ("CAPs"), cable television providers, and competitive local exchange companies ("CLECs"). Current customers for said services in Kentucky and Indiana (where KDL is currently certificated) include MCI/Worldcom, LCI, Community Telephone Corporation, and other first tier IXCs. KDL will lease bandwidth at the following levels: DS-3 and OC-3.

KDL request a Certificate to offer these services on a statewide basis as allowed by state and federal law. KDL does not at this time have any franchises from local governments and does not, by the Application, seek authority to provide service pursuant to any franchise documents.

4. KDL has not previously requested any type of authority from this Regulatory Authority. However, its sister corporation, Community Telephone Corporation (formerly known as Wright Business, Inc. d/b/a Long Distance Management) obtained a CTA to resale interexchange telecommunication services and to provide operator services in Tennessee in Case Number 95-03300, dated November 10, 1995. Another sister corporation, QCC, Inc., was granted a CTA by this Authority to resell interexchange telecommunication services in Tennessee in Case Number 95-02906, dated August 23, 1995.

5. Q-Comm Corporation, a privately held Nevada corporation, is the parent company of KDL and its above said sister companies, QCC, Inc. and Community Telephone Corporation.

6. Applicant will rely upon its existing personnel and technological resources to furnish its proposed services to its customers. Applicant has the managerial expertise to provide facilities-based interexchange services in Tennessee. Management profiles of Applicant's key personnel are attached hereto as Exhibit "B".

7. Applicant has extensive experience in the design and construction of fiber optic interexchange facilities. Since its inception, KDL has deployed fiber optic systems for several national telecommunication companies. KDL currently operates and maintains its own regional fiber network in Kentucky and Indiana.

8. Applicant is financially qualified to operate as a facilities based interexchange carrier in Tennessee. The Company has the capital resources required to build and

maintain its multi-state network and to provide the proposed services. Applicant's most current financial statements are attached hereto as Exhibit "C".

9. Applicant is familiar with and will adhere to the Authority's rules, policies and orders regarding the provision of telecommunication service. The name and telephone number of the contact person authorized to respond to Authority inquiries is listed in Paragraph 2, above.

10. As a competitive carrier, Applicant maintains its book of accounts in accordance with Generally Accepted Accounting Principals ("GAAP").

11. Applicant acknowledges the importance of supporting small and minority owned telecommunications businesses and agrees to contribute its share to the fund established by the Department of Economic and Community Development in accordance with Section 65-5-213.

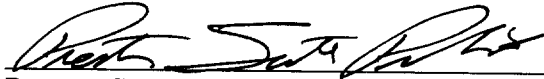
12. Applicant's Small and Minority Owned Telecommunications Business Participation Plan is submitted as Exhibit "D".

WHEREAS, APPLICANT prays that:

1. The Tennessee Regulatory Authority grant a Certificate of Public Convenience and Necessity to applicant to provide telecommunications services throughout the State of Tennessee; and
2. The Authority grants Applicant such other, further and general relief as it might be entitled to under the premises.

DATED this 8<sup>th</sup> day of June, 1999.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Preston Scott Pulido", written over a horizontal line.

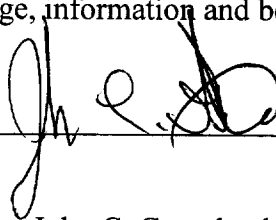
Preston Scott Pulido  
Kentucky Data Link, Inc.  
Corporate Counsel  
8829 Bond Street  
Overland Park, Kansas 66214  
(913) 492-1230  
(913) 492-1684 Fax

## VERIFICATION

State of Kansas       )  
                              )  
County of Johnson    )       ss.

I am authorized to represent Kentucky Data Link, Inc. and to make this verification on its behalf. The statements in the foregoing application and exhibits are true and correct to the best of my knowledge, information and belief.

By: \_\_\_\_\_

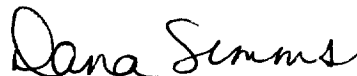


Name: John C. Greenbank

Title: Vice President

Date: June 8, 1999

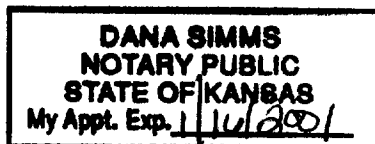
Sworn to and subscribed before me, the undersigned authority in and for the jurisdiction aforesaid, the within named John C. Greenbank, this 8<sup>th</sup> day of June, 1999.



Notary Public

My Commission Expires: \_\_\_\_\_

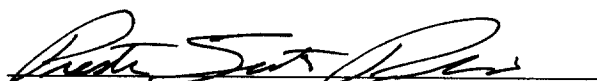
Jan 16, 2001



**CERTIFICATE OF SERVICE**

The undersigned hereby certifies that the original and thirteen copies of the foregoing petition and exhibits has been served upon the Executive Secretary of the Tennessee Regulatory Authority, via FedEx overnight delivery, service paid, this 8<sup>th</sup> day of June, 1999:

David Waddell, Executive Secretary  
Tennessee Regulatory Authority  
460 James Robertson Parkway  
Nashville, Tennessee 37243-0505

  
Preston Scott Pulido  
Kentucky Data Link, Inc.  
Corporate Counsel

KENTUCKY DATA LINK, INC.  
Legal Department  
8829 Bond Street  
Overland Park, Kansas 66214  
Phone: (913) 492-1230  
Fax: (913) 492-1684

# **Exhibit A**



# APPLICATION FOR CERTIFICATE OF AUTHORITY FOR

Kentucky Data Link, Inc.

To the Secretary of State of the State of Tennessee:

Pursuant to the provisions of Section 48-25-103 of the Tennessee Business Corporation Act, the undersigned corporation hereby applies for a certificate of authority to transact business in the State of Tennessee, and for that purpose sets forth:

1. The name of the corporation is Kentucky Data Link, Inc.

If different, the name under which the certificate of authority is to be obtained is \_\_\_\_\_

[NOTE: The Secretary of State of the State of Tennessee may not issue a certificate of authority to a foreign corporation for profit if its name does not comply with the requirements of Section 48-14-101 of the Tennessee Business Corporation Act. If obtaining a certificate of authority under an assumed corporate name, an application must be filed pursuant to Section 48-14-101(d).]

2. The state or country under whose law it is incorporated is Kentucky

3. The date of its incorporation is April 13, 1990 (must be month, day, and year), and the period of duration, if other than perpetual, is Perpetual

4. The complete street address (including zip code) of its principal office is \_\_\_\_\_  
611 Broadway Paducah Kentucky 42001  
 Street City State/Country Zip Code

5. The complete street address (including the county and the zip code) of its registered office in this state is  
1912 Hayes St. NASHVILLE TN DAVIDSON 37203  
 Street City/State County Zip Code

The name of its registered agent at that office is

National Registered Agents, Inc.

6. The names and complete business addresses (including zip code) of its current officers are: (Attach separate sheet if necessary.)

A.D. Wright, Pres 611 Broadway, Paducah, KY 42001

Arthur Wright, VP 611 Broadway, Paducah, KY 42001

John P. Cinelli, VP 8829 Bond, Overland Park, KS 66214

John C. Greenbank, VP 8829 Bond, Overland Park, KS 66214

7. The names and complete business addresses (including zip code) of its current board of directors are: (Attach separate sheet if necessary.)

Albert E. Cinelli, COB 8829 Bond, Overland Park, KS 66214

John P. Cinelli 8829 Bond, Overland Park, KS 66214

A.D. Wright 611 Broadway, Paducah, KY 42001

Arthur Wright 611 Broadway, Paducah, KY 42001

8. The corporation is a corporation for profit.

9. If the document is not to be effective upon filing by the Secretary of State, the delayed effective date/time is \_\_\_\_\_, 19\_\_\_\_ (date), \_\_\_\_\_ (time).

[NOTE: A delayed effective date shall not be later than the 90th day after the date this document is filed by the Secretary of State.]

[NOTE: This application must be accompanied by a certificate of existence (or a document of similar import) duly authenticated by the Secretary of State or other official having custody of corporate records in the state or country under whose law it is incorporated. The certificate shall not bear a date of more than one (1) month prior to the date the application is filed in this state.]

5/12/99  
 Signature Date

Treasurer, VP, CFO  
 Signer's Capacity

Kentucky Data Link, Inc.  
 Name of Corporation

Lohn H. Weber  
 Signature

Lohn H. Weber  
 Name (typed or printed)



**John Y. Brown III**  
**Secretary of State**

**Certificate of Existence**

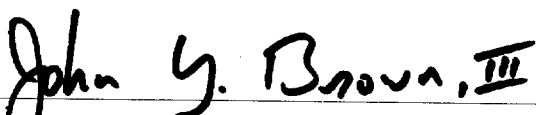
I, JOHN Y. BROWN III, Secretary of State of the Commonwealth of Kentucky, do hereby certify that according to the records in the Office of the Secretary of State,

**KENTUCKY DATA LINK, INC.**

is a corporation duly organized and existing under KRS Chapter 271B, whose date of incorporation is April 13, 1990 and whose period of duration is perpetual.

I further certify that all fees and penalties owed to the Secretary of State have been paid; that articles of dissolution have not been filed; and that the most recent annual report required by KRS 271B.16-220 has been delivered to the Secretary of State.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my Official Seal at Frankfort, Kentucky, this 13<sup>th</sup> day of May, 1999.

A handwritten signature in black ink, reading "John Y. Brown, III", is written over a horizontal line.

JOHN Y. BROWN III  
Secretary of State  
Commonwealth of Kentucky

Tmorgan/0271651

## **Exhibit B**

## **KENTUCKY DATA LINK, INC. MANAGEMENT PROFILES**

### **Albert E. Cinelli, Chairman**

Mr. Cinelli, a graduate of Lafayette College and Columbia University Law School, is Chairman of the Board of Kentucky Data Link, Inc. ("KDL") Mr. Cinelli has been employed as General Counsel for several major corporations, including ELTRA Corporation and American Home Products in New York. Mr. Cinelli also worked for Marion Labs in Kansas City as Vice President and Chief Legal Counsel. Mr. Cinelli founded an interconnect company in Kansas City in 1985 and purchased Quest Communications in 1990. Currently, Mr. Cinelli is President of QCC, Inc., a multi-service long distance reseller, which merged with Quest Communications in 1994. In 1996, Mr. Cinelli became associated with KDL and his current focus is on setting company goals and policies.

### **A.D. Wright, President**

Mr. Wright, a graduate of Murray State University, is the President and Chief Executive Officer of KDL. Mr. Wright has a vast amount of telecommunications experience and was a primary founder of KDL in 1990. Since KDL's incorporation, Mr. Wright has been an active member of the Board and the CEO of KDL. Mr. Wright's focus with KDL is in sales.

### **Arthur Wright, Vice President**

Mr. Arthur Wright is a Vice President of KDL. From 1949 through 1970, Mr. Wright was employed as a transmission engineer by South Central Bell, then owned by AT&T, retiring as a Regional Plant Engineer in Paducah, Kentucky. Since 1990, Mr. Wright has been employed with KDL and his primary focus is on operations.

### **John C. Greenbank, Vice President**

Mr. Greenbank is Vice President of KDL. Prior to working with KDL, Mr. Greenbank gained a vast amount of telecommunications experience as a applications engineer and senior engineer for a carrier in southern Missouri. After working in that capacity for more than ten years, Mr. Greenbank was hired to manage and operate CSI Corporation, a Kansas City interconnect company. In 1996, Mr. Greenbank became associated with KDL and today his primary focus at KDL is on operations, new product development, customer service planning and telecommunications training and problem solving.

### **John P. Cinelli, Vice President**

Mr. Cinelli received his Bachelor of Arts in International Regulations from Tufts University in 1984. Having worked for the Bank of Boston and Security Pacific, Mr. Cinelli's background is primarily in financial services. Mr. Cinelli managed CSI Corporation, a Kansas City interconnect company, and QCC, Inc., a multi-service long distance reseller, both companies are sister companies of KDL. Mr.

Cinelli is currently President of Q-Comm Corporation, the parent company of KDL and other aforementioned sister companies. Mr. Cinelli's focus at KDL is sales and marketing.

Lohn H. Weber, Vice President, C.F.O, and Treasurer

A graduate of the University of Missouri, Columbia, Mr. Weber is a Vice President, Chief Operating Officer, and Treasurer of KDL. Mr. Weber, a CPA with an extensive background in accounting, joined KDL's senior management team in 1996. Prior to joining KDL, Mr. Weber worked for Baird, Kurtz and Dobson, a Kansas City area public accounting firm. Mr. Weber's focus is on financial analysis and accounting systems.

# **Exhibit C**

**Kentucky Data Link, Inc.**  
Balance Sheet as of September 30, 1998

Current Assets

Accounts Receivable	401,271.46
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Property and Equipment

Microwave Towers	2,174,506.17
Fiber Line	2,460,084.22
Office Furniture & Equipment	55,011.81
Land	30,743.46
WIP Fiber Build	846,748.84
Accumulated Depreciation	(1,452,481.55)
	<u>4,114,612.95</u>

Deferred Income Tax	(100,277.00)
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Total Assets	<u><u>4,415,607.41</u></u>
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Current Liabilities

Accounts Payable	134,250.07
Sales Tax Payable	6,370.32
Accrued Expenses	4,984.46
Deferred Revenue	276,986.19
Other Accrued Liabilities	4,402,053.92

Total Liabilities	<u>4,824,644.96</u>
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Common Stock	1,000.00
Retained Earnings	97,549.97
Current Earnings	(507,587.52)
Total Equity	<u>(409,037.55)</u>

Total Liabilities and Stockholder's Deficit	<u><u>4,415,607.41</u></u>
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**Kentucky Data Link, Inc.**

Income Statement for the Year Ended September 30, 1998

Private Line Sales	1,607,543.64
Microwave Rental	48,000.00
Total	<u>1,655,543.64</u>
Direct Costs	
Private Line	691,479.10
Right of Way Costs	100,000.00
Co-Location Costs	850.00
Commissions	4,418.31
Total	<u>796,747.41</u>
Gross Margin	<u>858,796.23</u>
Gross Margin %	<u>51.87%</u>
Operating Expenses	
Salaries & Benefits	109,806.11
Travel	21,152.83
Meals	2,292.94
Equipment Repair	59,353.99
Office Supplies	1,688.81
Office Expense	880.59
Telephone	1,483.68
Insurance	1,599.18
Dues & Subscriptions	422.88
Utilities	5,555.94
Small Equipment	1,511.43
Gas Expense	1,678.92
Postage	1,046.76
Rent	35,784.73
Customer Refunds	1,430.51
Bad Debt Expense	95,037.24
Bank Charges	175.99
Taxes & Licenses	4,133.67
Professional Fees	1,103.72
Corporate Management Fee	544,069.25
Service & Installation	15.00
Other Income	(27,708.72)
Finance Charge Income	(14,418.70)
Total	<u>848,096.75</u>
EBITDA	10,699.48
Interest	100,668.25
Depreciation	296,824.74
Amortization	<u>5,687.01</u>
Earnings Before Tax	<u>(392,480.52)</u>
Income Taxes	115,107.00
Current Earnings	<u><u>(507,587.52)</u></u>



## **Exhibit D**

# **SMALL AND MINORITY OWNED TELECOMMUNICATIONS BUSINESS PARTICIPATION PLAN OF KENTUCKY DATA LINK, INC.**

## **Policy Statement**

Kentucky Data Link, Inc., (hereinafter referred to as “KDL”) acknowledges the importance of supporting small and minority owned telecommunications business participation in the telecommunications industry and the overall general business participation in the telecommunications business operations of Tennessee. Therefore it is the policy of KDL to facilitate opportunities for Small Telecommunications and Minority Owned Telecommunications Businesses to compete for contracts and subcontracts for goods and services to KDL. KDL is committed to the identification and selection of said businesses in this respect.

Furthermore, with respect to KDL’s business operations in the state of Tennessee, it is the policy of KDL to provide information on programs, if any, and provide technical assistance to Small Telecommunications and Minority Owned Telecommunications Businesses when and where available in Tennessee.

Furthermore, KDL acknowledges its obligations to contribute its share to the fund established by the Department of Economic and Community Development in accordance with Section 17 of Chapter 408 of the Public acts of 1995 (the “Act”) for the purpose of funding the Small and Minority Owned Telecommunications Business Assistance Program which provides for loan guarantees, technical assistance and services, and consulting education services.

## **Definitions**

“Act” – Section 16 and 17 of Chapter 408 of the Public Acts for 1995.

“Minority Owned Telecommunications Business” – a telecommunications business which is solely owned, or at least fifty-one percent (51%) of the assets or outstanding stock of which is owned, by an individual who personally manages the daily operations of such business, and who is impeded from normal entry into the economic mainstream because of race, religion, sex or national origin and such business has annual gross receipts of less than four million dollars (\$4,000,000.00), or as otherwise modified or amended in the future by the legislature of the State of Tennessee.

“Personally Manages” – actively involved in the day-to-day management.

“Controls” – exercising the power to make policy decisions.

“Who is impeded from normal entry” – individuals who have been subjected to racial or ethnic prejudice or cultural bias because of their identity as a member of a group without regard to their qualities as individuals and as provided in the regulations implementing Sections 8(a) and 7(j) of the Small Business Act, as amended by the Business Opportunity Development Reform Act of 1988, and Business Opportunity Development Reform Act Technical Corrections Act, (15 U.S.C. 637(a) and 636(j), as amended by Pub. L. 100-656 and Pub. L. 101-37.

“Small Telecommunications Business” – a telecommunications company with annual gross receipts of less than four million dollars (\$4,000,000.00), or as otherwise modified or amended in the future by the legislature for the State of Tennessee.

“Subcontract” – any agreement (other than one involving an employer-employee relationship) entered into by KDL with a non-affiliated company or individual calling for direct or indirect purchase of raw materials, components, supplies and services needed to support KDL’s operations.

## **Goal**

The goal of KDL’s Small and Minority Owned Telecommunications Business Participation Plan is to identify Small Telecommunications Businesses and Minority Owned Businesses which are qualified to provide goods and services and to promote awareness among Small Telecommunications Businesses and Minority Owned Telecommunications Businesses as to opportunities to develop business relationships with KDL.

## **Plan Implementation**

KDL will invite bids, or issue requests for proposals, or otherwise solicit offers from Small and Minority Owned Telecommunication Businesses, except in the case of emergencies, or in cases where KDL is bound by contract to purchase goods and services from other sources, to furnish specified goods and services to KDL in furtherance of KDL’s Tennessee operations.

## **Plan Administration**

In conducting its business affairs in Tennessee, KDL will appoint one of its employees as the Administrator of the Small and Minority Owned Telecommunications Business Participation Plan. The Administrator will be responsible for obtaining and utilizing available resources for identifying Small and Minority Owned Telecommunications Businesses interested and qualified in furnishing goods and services to KDL and to cultivate an awareness among such businesses as to any opportunities to develop business relations with KDL. The Administrator will also serve as a resource for technical assistance to Small and Minority Owned Telecommunications Businesses and will refer such businesses to sources of information and other technical assistance.

### **Plan Administrator**

The administration of this Plan will be under the direction of (hereinafter called the “Administrator”):

Name: John C. Greenbank  
Title: Vice President  
Address: 1419 West Lloyd Expressway  
Suite 100  
Evansville, IN 47710

Telephone: (812) 461-3355

Facsimile: (812) 461-3357

The duties of the Administrator are, among other things:

1. To develop policies and procedures to assure success of the Plan.
2. To maintain a current Plan acceptable to the Tennessee Regulatory Authority.
3. To conduct certification surveys as to the status of suppliers.
4. To establish and maintain a database and records in support of the Plan pursuant to the requirements of the Tennessee Regulatory Authority.
5. To search diligently for qualified small and minority owned telecommunications businesses and concerns through:
  - a. The Small Business Administrations’ Procurement Automated Source System (PASS), and publications of the Office of Minority Business Data Center in the Department of Commerce and the Office of Minority Small Business and Capital Ownership Development in the Small Business Administration.
  - b. Local and national associations and Minority Suppliers Development councils.
  - c. Participation in trade fairs and industry meetings.
6. To prepare and submit forms and information as may be required by the Tennessee Regulatory Authority.
7. Maintain liaison and cooperation with the Tennessee Regulatory Authority, and other agencies of the state of Tennessee to find and utilize qualifying the business concerns defined herein.
8. To support activities for assisting buyers in locating and qualifying the business concerns defined herein.
9. To provide required records and reports to cooperate in any authorized surveys by the Tennessee Regulatory Authority.

### **Compliance Records**

KDL will submit reports, as may be required, for use in connection with subcontracting plans by the Tennessee Regulatory Authority and/or the State of Tennessee. KDL will cooperate fully with all reasonable and appropriate surveys or studies required by the contracting agency in determining program compliance. However, KDL reserved the right to designate documents, reports, surveys and/or studies as "confidential" and/or "proprietary".


### **Record Maintenance**

KDL will maintain records relating to KDL's Small and Minority Owned Telecommunications Business Participation Plan for the purpose of evidencing the implementation of this policy, for use by KDL in evaluating the effectiveness of the Plan and in obtaining the goals of the Plan, and for use in updating the Plan on an annual basis with the Tennessee Regulatory Authority, or as otherwise required.

**ADOPTED** this 8<sup>th</sup> day June, 1999.

**KENTUCKY DATA LINK, INC.**

By:

  
\_\_\_\_\_  
John C. Greenbank  
Vice President